

RECORDATION NO. 20800 - C FILED

APR 3 '98

1-25 PM

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OF COUNSEL
URBAN A. LESTER

April 3, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement (Equipment Schedule 04), dated as of March 30, 1998, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Master Equipment Lease Agreement previously filed with the Board under Recordation Number 20800.

The names and addresses of the parties to the enclosed document are:

Lessor: KeyCorp Leasing, a division of --
54 State Street
Albany, New York 12207

Lessee: Sperry Rail, Inc.
6 Stamford Forum
Stamford, Connecticut 06901

A description of the railroad equipment covered by the enclosed document is:

Two (2) Hi-Rail Inspection Cars bearing reporting marks and road numbers set forth on Exhibit A attached to the Memorandum.

C. Alvord

Mr. Vernon A. Williams
April 3, 1998
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Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg
Enclosures



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MEMORANDUM OF LEASE AGREEMENT

EQUIPMENT SCHEDULE 04

Dated as of March 30, 1998

between

KEYCORP LEASING, A DIVISION OF KEY CORPORATE CAPITAL INC.,
Lessor

and

SPERRY RAIL, INC.
Lessee

Filed with the Surface Transportation Board pursuant to
49 U.S.C. * 11301 on _____, 19____, at ____:____.M
Recordation Number _____

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as of March 30, 1998 is made by and between SPERRY RAIL, INC., a Delaware corporation ("Lessee"), and KEYCORP LEASING, A DIVISION OF KEY CORPORATE CAPITAL INC., a Delaware corporation ("Lessor").

WITNESSETH

1. Pursuant to a Master Equipment Lease Agreement, together with Schedule 04 of even date (collectively, the "Lease Agreement"), Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from Lessor 2 Hi-Rail Inspection Cars bearing the railroad reporting markings set forth on Exhibit A attached hereto.

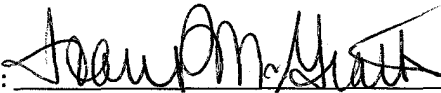
2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the Initial Term and any Renewal Terms as defined in the Lease Agreement.

COUNTERPARTS. This Memorandum Of Lease Agreement Equipment Schedule 04 may be executed in any number of counterparts, each executed counterpart constituting an original but all together one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor:

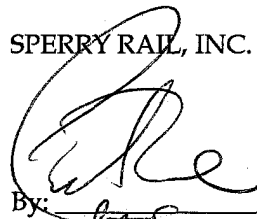
KEYCORP LEASING,
A DIVISION OF KEY CORPORATE CAPITAL INC.

By: 

Name: Joan M. Smith
Title: Vice President

Lessee:

SPERRY RAIL, INC.

By: 

Name: Peter S. Smith
Title: V.P.

COUNTERPART NO. 2 OF 3 SERIALY NUMBERED MANUALLY EXECUTED COUNTERPARTS. TO THE EXTENT THAT THIS DOCUMENT CONSTITUTES CHATTEL PAPER UNDER THE UNIFORM COMMERCIAL CODE, NO SECURITY INTEREST MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

STATE OF NEW YORK)
) ss.:
COUNTY OF Albany)

On this 2nd day of April, 1998, before me the subscriber personally appeared Joan P. McGrath, who being by me duly sworn, did depose and say: that (s)he resides at Albany, New York: that (s)he is a Vice President of KEYCORP LEASING, A DIVISION OF KEY CORPORATE CAPITAL INC. the corporation described in and which executed the foregoing instrument and that (s)he signed ~~his~~/her name thereto by order of the Board of Directors of said corporation.

Theresa R. Arnold
NOTARY PUBLIC

THERESA R. ARNOLD
Notary Public, State of New York
No. 01AR4953924
Qualified in Schenectady County
Commission Expires July 31, 1999

My Commission Expires: July 31, 1999

STATE OF Connecticut)
) ss.:
COUNTY OF Merfield)

On this 31st day of March, 1998, before me the subscriber personally appeared Peter O. Samuel, who being by me duly sworn, did depose and say; that (s)he resides at Greenwich CT; that (s)he is a V.P. of SPERRY RAIL, INC. the corporation described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by order of the Board of Directors of said corporation.

Barbara M. Hicks
NOTARY PUBLIC

My Commission Expires:

BARBARA M. HICKS
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2000

EXHIBIT A
TO MEMORANDUM OF LEASE AGREEMENT
DATED AS OF March 30, 1998
to Master Equipment Lease Agreement Dated as of July 22, 1997

Quantity: Description:

1 1997 FORD HI-RAIL INSPECTION TRUCK RAIL CAR NO.

VIN # 1FDXN80E9VVA32218 822

SEE SCHEDULE 1 OF EXHIBIT A, (VENDOR AND VENDOR INVOICE), ATTACHED
HERETO AND MADE A PART HEREOF, FOR SPERRY RAIL SERVICE - CAR #822
ATTACHMENTS

1 1998 FORD HI-RAIL INSPECTION TRUCK RAIL CAR NO.

VIN # 1FDXN80E4WVA34881 823

SEE SCHEDULE 1 OF EXHIBIT A, (VENDOR AND VENDOR INVOICE), ATTACHED
HERETO AND MADE A PART HEREOF, FOR SPERRY RAIL SERVICE - CAR #823
ATTACHMENTS